

## **Senate Bill No. 707**

### **CHAPTER 343**

An act to amend Sections 6981, 6985, and 6988 of the Food and Agricultural Code, relating to agricultural development, and making an appropriation therefor.

[Approved by Governor September 26, 2011. Filed with  
Secretary of State September 26, 2011.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

SB 707, Cannella. Agricultural development.

Existing law imposes an annual assessment of 1% on the gross sales of all deciduous pome and stone fruit trees, nut trees, and grapevines, including seeds, seedlings, rootstocks, and topstock, including ornamental varieties of apple, apricot, crabapple, cherry, nectarine, peach, pear, and plum, produced and sold within the state or produced within and shipped from the state by any licensed nursery dealer, and provides that for packaged or containerized stock, the assessment shall be levied on the producer's bareroot price of the plants, and specifies the purposes for which the assessment may be used. Existing law provides that the assessment shall be paid into the State Treasury and shall be credited to the Department of Food and Agriculture Fund, a continuously appropriated fund for these purposes.

This bill would include olive trees within the plants that are subject to the assessment.

By depositing additional money into a continuously appropriated fund, this bill would make an appropriation.

Existing law authorizes the Department of Food and Agriculture to enter into agreements with the University of California, any commissioner, and any qualified research agency, to assist in the development of planting material for pome and stone fruit, nut tree, and grapevine production. Existing law requires the agreements to provide for payment for services rendered from fees collected pursuant to the provisions described above.

This bill would additionally authorize the department to enter into agreements to assist in the development of planting material for olive tree production. Because the bill would expand the scope of the services for which payment may be made for services rendered from the fees described above, the bill would deposit additional moneys into, and would expand the scope of the authorization to spend moneys from, a continuously appropriated fund, thereby making an appropriation.

Existing law authorizes the Secretary of the Department of Food and Agriculture, upon consultation with the pome and stone fruit tree, nut tree, and grapevine nursery industry, to appoint a board to assist and advise him or her concerning the implementation of the assessment and other related

provisions of law. Existing law requires board members to represent all areas of the state involved in the production of pome and stone fruit trees, nut trees, and grapevines.

This bill would extend membership on the board to include representatives of licensed olive nursery stock producers, as specified, and require the secretary to additionally consult with the olive industry in appointing the board. The bill would include olive trees among those items of production that are required to be represented by board members.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. Section 6981 of the Food and Agricultural Code is amended to read:

6981. (a) An annual assessment of 1 percent shall be levied on the gross sales of all deciduous pome and stone fruit trees, nut trees, olive trees, and grapevines, including seeds, seedlings, rootstocks, and topstock, including ornamental varieties of apple, apricot, crabapple, cherry, nectarine, olive, peach, pear, and plum, produced and sold within the state or produced within and shipped from the state by any licensed nursery dealer. For packaged or containerized stock, the assessment shall be levied on the producer's bareroot price of the plants.

(b) The secretary, as appropriate, and on the recommendation of the board established pursuant to Section 6988, may exempt from the assessment certain species of pome and stone fruit, nut trees, olive trees, grapevines, or ornamental varieties of apple, apricot, crabapple, cherry, nectarine, olive, peach, pear, and plum if it can be demonstrated that no benefit is derived by these species from programs described in subdivision (d).

(c) The assessment shall be applied at the point of sale where the nursery stock is sold by a producer to persons other than California producers of nursery stock that is subject to assessment under subdivision (a).

(d) The secretary may set the assessment at a lower percent to cover the costs necessary to implement and carry out all department programs established pursuant to Article 7 (commencing with Section 5821) of Chapter 8 of Part 1 concerning the registration and certification of pome and stone fruit trees, nut trees, olive trees, and grapevines; the University of California foundation plant materials service activities concerning pome and stone fruit trees, nut trees, olive trees, and grapevines; and other activities related to the development of planting materials for pome and stone fruit trees, nut trees, olive trees, and grapevines.

SEC. 2. Section 6985 of the Food and Agricultural Code is amended to read:

6985. The department may enter into agreements with the University of California, any commissioner, and any qualified research agency to assist in the development of planting material for pome and stone fruit, nut tree,

olive tree, and grapevine production. The agreements shall provide for payment for services rendered from fees collected pursuant to this article.

SEC. 3. Section 6988 of the Food and Agricultural Code is amended to read:

6988. The secretary, upon consultation with the pome and stone fruit tree, nut tree, olive tree, and grapevine nursery industry, shall appoint a board to assist and advise him or her concerning the implementation of this article.

(a) Membership on the board shall consist of 11 representatives, a majority of whom are licensed producers of pome, stone, nut, olive, and grape nursery stock, but also users and a public member as follows:

(1) Two each from the stone fruit (including almonds) and nut (other than almond) industries.

(2) Four from the grape industry.

(3) One each from the pome fruit and olive industries.

(4) One public representative.

(b) Board members shall represent all areas of the state involved in the production of pome and stone fruit trees, nut trees, olive trees, and grapevines.

(c) The members of the board shall serve for fixed terms of up to two years. The secretary, upon nomination by the industry, may appoint a member for three consecutive terms. The secretary shall reappoint no more than eight of the then-current members of the board within a two-year period.

(d) The board shall meet at least twice a year. The chair or the secretary may call any other meeting when it is deemed necessary by one or both of them. Each member shall be allowed per diem and mileage in accordance with Department of Personnel Administration rules for attending any meeting of the board.

(e) The board shall review and make recommendations to the secretary concerning the ongoing operations of the department and the University of California pertaining to this article. This shall include advice on fiscal expenditure, assessments needed to cover costs, and proposals concerning the development of planting materials.